



J. TYLER McCAULEY
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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July 29, 2003

TO: Supervisor Yvonne Brathwaite Burke, Chair
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: J. Tyler McCauley 
Auditor-Controller

SUBJECT: **LOS ANGELES COUNTY FRAUD HOTLINE STATUS**

The Los Angeles County Fraud Hotline opened 101 new investigations during the period from April 1, 2003 to June 30, 2003. We closed 111 of which 29 were Substantiated, 43 were Not Substantiated, and 39 were not investigated due to insufficient information (See Attachments I and II for details). As of June 30, 2003, 266 investigations were in progress.

Based on the 29 Substantiated cases, the following personnel actions were taken. Note: some cases may include multiple suspects and multiple dispositions.

Arrested	4
Convicted	2
Counseled	7
Dismissed	6
Pending	11
Procedures Changed	3
Resigned	4
Suspended	2

If you have any questions or need additional information, please call me or have your staff call Marion Romeis at (213) 974-0353.

Attachments

C: Audit Committee
David E. Janssen, Chief Administrative Officer
Department Heads
Public Information Office



**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

Attachment I

**SUMMARY OF SUBSTANTIATED
CASES CLOSED BETWEEN**

Apr 01, 2003 and Jun 30, 2003

CASES INVESTIGATED BY AUDITOR-CONTROLLER

Case 20020110

A Department of Health Services (DHS) dentist claimed time he did not work on his timecard. The employee was convicted of a felony and suspended without pay, pending further disciplinary action.

Case 20020165

A Child Support Services Department employee stole County computer equipment. The employee was dismissed and recently arrested. Criminal charges are pending.

Case 20020173

A review of EIDC expenditures disclosed questionable use of public funds. The case was referred to the DA for possible prosecution.

Case 20030038

A Fire Department employee misused County equipment and computer privileges to access pornography and Department emails. Disciplinary action is pending.

Case 20030087

A Department of Public Social Services (DPSS) employee stole gasoline totaling \$4,066 from an Internal Services Department fueling facility. The employee was arrested and criminal charges were filed. The Department intends to take disciplinary action upon completion of the preliminary hearing.



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Attachment I

**SUMMARY OF SUBSTANTIATED
CASES CLOSED BETWEEN**

Apr 01, 2003 and Jun 30, 2003

Case 20030120

A Department of Children and Family Services (DCFS) employee abused her County computer and Internet privileges by downloading pornography on County time. The employee resigned.

Case 20030130

A Treasurer and Tax Collector employee fraudulently claimed time off for medical leave. Disciplinary action is pending.

Case 20030147

A Department of Animal Care and Control Officer requested a kickback from an employee of a County contractor. The Department intends to discharge the Officer.

Case 20030173

A Fire Department employee sent an inappropriate letter expressing his personal opinions about the Department to public officials. Disciplinary action is pending.

Case 20030220

A Public Library employee stole County equipment, used County Internet access to view pornography, and used County computer equipment to operate his personal business on County time. The employee resigned and was subsequently arrested. Criminal charges are pending.



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**SUMMARY OF SUBSTANTIATED
CASES CLOSED BETWEEN**

Apr 01, 2003 and Jun 30, 2003

Case 20030221

Three Department of Public Works (DPW) employees were negligent when performing their County duties by improperly issuing construction permits, resulting in a loss of approximately \$400,000 to the County and other municipalities. One employee was suspended for five days and two employees retired.

Case 20030226

Three DCFS employees falsified their timecards by claiming time they did not work. The Department intends to discharge the employees.

Case 20030263

A Registrar-Recorder employee used his County computer to view pornography. In addition, he installed unauthorized software to download music from the Internet. Disciplinary action is pending.

Case 20030290

A County payroll warrant issued to a DCFS employee was stolen. However, the parties responsible were not identified. DCFS management changed procedures to secure warrants.

Case 20030302

A DPW employee accessed several DPW employees' personal payroll information without authorization and stole their identity. The employee was dismissed and subsequently arrested. Criminal charges are pending.

Total Cases Investigated By Auditor-Controller

15



**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

Attachment I

**SUMMARY OF SUBSTANTIATED
CASES CLOSED BETWEEN
Apr 01, 2003 and Jun 30, 2003**

CASES REFERRED TO AND INVESTIGATED BY OTHER DEPARTMENTS

Case 20020090

A DHS employee claimed time she did not work on her timecard. Disciplinary action is pending.

Case 20020212

A DHS employee worked overtime without prior authorization. The Department changed procedures.

Case 20020261

A DPSS employee failed to report co-habiting with welfare recipients. Disciplinary action is pending.

Case 20020289

A DHS employee failed to report her outside employment to the Department. The employee was counseled.

Case 20030069

Four DHS managers claimed time they did not work on their timecards. Disciplinary action is pending.

Case 20030114

Several DHS physicians did not adequately respond to emergency situations, as required. In addition, they claimed time they did not work on their timecards. Disciplinary action is pending.



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Attachment I

**SUMMARY OF SUBSTANTIATED
CASES CLOSED BETWEEN**

Apr 01, 2003 and Jun 30, 2003

Case 20030152

A DHS employee conducted private business on County time. The Department changed their procedures and the employee was counseled.

Case 20030163

A non-County group used a County facility and resources without authorization to operate a non-County business. DHS management will consult with County Counsel to formalize written agreements between non-County agencies and the County.

Case 20030186

A Probation employee misused County equipment to conduct personal business. The employee was counseled.

Case 20030198

A Department of Mental Health (DMH) employee admitted she used a County vehicle for personal business. The employee was counseled.

Case 20030203

DHS determined that a Nurse Manager position held by a DHS employee was improperly utilized. A classification review of this position was recommended.

Case 20030256

A DMH employee failed to provide proof of professional credentials and used the credentials on her County business cards. The employee was counseled.



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Attachment I

**SUMMARY OF SUBSTANTIATED
CASES CLOSED BETWEEN**

Apr 01, 2003 and Jun 30, 2003

Case 20030273

An Office of the Assessor employee solicited non-County business on County property without authorization. The employee was counseled.

Case 20030313

A DHS employee solicited non-County business on County property without authorization. The employee was counseled.

Total Cases Referred To And Investigated By Other Departments	14
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Total Number of Substantiated Cases for this period is: 29

**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

Attachment II



**Los Angeles County Fraud Hotline
CLOSED CASE SUMMARY
Apr 01, 2003 through Jun 30, 2003**

	<i>Substantiated</i>	<i>Not Substantiated</i>	<i>Not Investigated</i>	<i>No Response</i>	<i>Total</i>
<i>Auditor-Controller</i>		1 (100%)			1 (100%)
<i>Board of Supervisors</i>		1 (100%)			1 (100%)
<i>Children's Support Services Department</i>		1 (100%)			1 (100%)
<i>Department of Human Resources</i>		2 (100%)			2 (100%)
<i>Department of Mental Health</i>	2 (100%)				2 (100%)
<i>Department of Parks and Recreation</i>			1 (100%)		1 (100%)
<i>Department of Public Social Services</i>	1 (6%)	13 (81%)	2 (13%)		16 (100%)
<i>Department of Registrar- Recorder/County Clerk</i>		1 (100%)			1 (100%)
<i>Environmental Health</i>		1 (100%)			1 (100%)
<i>Health Services</i>	9 (50%)	6 (33%)	3 (17%)		18 (100%)
<i>Internal Services Department</i>		3 (100%)			3 (100%)
<i>Office of Assessor</i>	1 (50%)	1 (50%)			2 (100%)
<i>Pending</i>			30 (100%)		30 (100%)
<i>Probation Department</i>	1 (33%)	2 (67%)			3 (100%)

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Attachment II



**Los Angeles County Fraud Hotline
CLOSED CASE SUMMARY**
Apr 01, 2003 through Jun 30, 2003

	<i>Substantiated</i>	<i>Not Substantiated</i>	<i>Not Investigated</i>	<i>No Response</i>	<i>Total</i>
<i>Sheriff's Department</i>		1 (50%)	1 (50%)		2 (100%)
<i>Special Investigations Unit</i>	15 (58%)	10 (37%)	2 (7%)		27 (100%)
<i>Grand Total</i>	20 26.3%	11 38.7%	3 3.5%	0 0.0%	34 100.0%